DUKE ENERGY INDIANA IRP

COMMENTS OF THE INDIANA OFFICE OF UTILITY CONSUMER COUNSLEOR

- 1. With regard to environmental regulations or concerns, Duke appears to have conducted a thorough analysis of environmental regulations likely to impact its existing and future generating resources. The company's Appendix F was helpful in determining the equipment or measures the company's generating units may have to take in complying with existing environmental regulations.
- 2. The OUCC is growing concerned with the trend of Indiana electric IOUs delaying IRP filings to coincide with the filing of a rate case or a certificate of public convenience and necessity (CPCN) filing. In Duke's case, it waited to file its 2018 IRP until after it filed a new rate case where it introduced projects into the future test year that were allegedly supported by its IRP. However, with the timelines imposed on the Commission, the OUCC and intervenors to complete a rate case, the OUCC and Intervenors were unable to consider the Director's report in their analysis of the rate case. This is problematic because the Director's report offers a valuable perspective on how well the utility has considered all relevant factors when planning for future resources. If the utility has neglected to include a key assumption or has biased the results of its IRP as determined by the Director, the Commission should be aware of this in determining whether a utility should receive cost recovery of new utility investment in either a CPCN filing or changing depreciation rates in a rate case. The OUCC is concerned that this is a utility's strategy to deflect any critique for the project or plan for which it is seeking cost recovery by ensuring that the Director's report will not be filed in time for the Commission to take it into consideration whenever making a decision regarding a utility's resources. Utilities should attempt to limit simultaneous filings of IRPs with a request for new construction project or rate case. If a utility is concerned that there is not enough lead time to build the new resource or add to an existing resource, the utility can seek Commission approval to record and defer any pre-construction or planning costs for a project until the IRP comment process is complete and the final Director's report is released. The OUCC has already noted above why this is problematic in the context of a rate case or CPCN filing, but it is also problematic because a utility could use an active filing before the Commission to avoid questions, comments, or discussion of a relevant topic at an IRP stakeholder meeting for fear of violating ex parte rules due to a Commissioner or Commission staff attending the meeting.
- 3. The OUCC is concerned with Duke hardwiring in renewable energy. All resources should compete equally in the modeling process. The OUCC is aware the general market price for renewables is favorable and sees no reason to burden the modeling process.